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Attorneys for the Reorganized Debtors

UNITED STATES BANKRUPTCY COURT**DISTRICT OF NEVADA**

In re:

THE RHODES COMPANIES, LLC, aka
 "Rhodes Homes," et al.,¹
 Debtors.

Case No.: BK-S-09-14814-LBR
 (Jointly Administered)

Chapter 11

Affects:

- ☐ All Debtors
☒ Affects the following Debtor(s):

The Rhodes Companies, LLC 09-14814

Hearing Date: December 17, 2010
 Hearing Time: 9:00 a.m.
 Courtroom 1

¹ The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

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**STIPULATION RESOLVING DEBTORS' OBJECTION TO CLAIM NO. 46 FILED BY
AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY,
AUDUBON INSURANCE COMPANY, LEXINGTON INSURANCE COMPANY,
INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA, NATIONAL UNION
FIRE INSURANCE COMPANY AND CERTAIN OTHER ENTITIES RELATED TO
CHARTIS, INC. PURSUANT TO SECTION 502(b) OF THE BANKRUPTCY CODE
AND BANKRUPTCY RULES 3003 AND 3007**

[Re: Docket No. 1312]

WHEREAS, on March 31, 2009 and April 1, 2009, The Rhodes Companies, LLC, aka "Rhodes Homes," et al. (collectively, the Debtors"), filed voluntary petitions for relief under chapter 11 of title 11 of the Bankruptcy Code in the United States Bankruptcy Court, District of Nevada, and their cases are being jointly administered under Case No. BK-S-09-14814-LBR.

WHEREAS on August 5, 2009, American International Specialty Lines Insurance Company, Audubon Insurance Company, Lexington Insurance Company, Insurance Company of the State of Pennsylvania, National Union Fire Insurance Company and Certain Other Entities Related to Chartis, Inc. ("AIS") filed Proof of Claim number 46 in an unliquidated amount (the "AIS Claim").

WHEREAS on November 8, 2010, the Debtors filed their *Objection to Claim 46 of American International Specialty Lines Insurance Company, Audubon Insurance Company, Lexington Insurance Company, Insurance Company of the State of Pennsylvania, National Union Fire Insurance Company and Certain Other Entities Related to Chartis, Inc. in the Amount of Unliquidated* [Docket No. 1312].

WHEREAS *The First Lien Steering Committee's Third Amended Modified Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code for the Rhodes Companies LLC, et al.* (the "Plan") was confirmed on March 12, 2010. The Effective Date of the Plan was April 1, 2010. Under the terms of Article VI.B of the Plan, the Reorganized Debtors have the sole authority to settle or compromise any Claim without any further notice to or action, order, or approval by the Bankruptcy Court, including the AIS Claim.

1 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED UPON by the
2 undersigned parties, through their counsel and respective representatives that:

3 1. The AIS Claim shall be Allowed as a General Unsecured Claim for all purposes
4 under the Plan in the amount of \$750,000.00.

5 2. Upon execution of this Stipulation, the Debtors shall withdraw their Objection to
6 the AIS Claim.

7 DATED this 15 day of December 2010

DATED this 14th day of December 2010

8 By: Michelle A. Levitt

By: _____

9 Michelle A. Levitt
10 CHARTIS U.S.
11 175 Water Street, 18th Floor
12 New York, NY 10038
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14 *Bankruptcy Counsel for Chartis U.S.*

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DATED this 14th day of December 2010

8 By: _____

By: _____/s/Shirley S. Cho

9 Michelle A. Levitt

Shirley S. Cho

10 CHARTIS U.S.

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